

# Introduction to Community Development Block Grant (CDBG)



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# What is CDBG?

- Community Development Block Grant (CDBG) is federal funding managed by the Department of Housing and Urban Development (HUD)
  - Entitlement vs. Non-entitlement
- State CDBG program – administered by the Department of Housing and Community Development (HCD)
  - Approximately \$30 million annually
  - Supports non-entitlement cities and counties
- HCD'S CDBG Redesign
  - Stakeholder driven effort to revitalize the State CDBG program



# CDBG Flexibility

- Eligible uses:
  - Economic Development
    - Business Assistance Loans & Infrastructure Grants
  - Housing Assistance
    - Homebuyer & Housing Rehab Assistance
  - Public Services
    - Nutrition, senior assistance, youth programs, etc.
  - Public Facilities
    - Community facilities, public safety, etc.
  - Public Infrastructure
    - Water, sewer, broadband, etc.
  - Planning
    - For activities that meet CDBG eligibility and priorities



# CDBG Requirements

- National Objectives
  - Benefit to low- and moderate-income people
    - Individuals, households, & neighborhoods
  - Address slums and blight
  - Urgent need
- Federal Cross-Cutting Requirements
  - Davis-Bacon Labor Compliance
  - National Environmental Protection Act (NEPA)
  - Federal procurement standards
- Federally required program reporting and tracking
  - Demographic data, program/project performance tracking, beneficiary reporting



# State and Federal Set-Asides and Limits

- Federal Limits
  - 15% limit on public services
  - 20% limit on planning & general administration
- State Set-Asides
  - 30% for economic development activities
  - 51% for housing related activities
  - 5% for activities in the Colonias
- All State CDBG funds must be obligated and spent within federal deadlines



# 2019-2020 CDBG NOFA

- 2 years of funding in one Notice of Funding Availability (NOFA) approx. \$60 million
  - NOFA in January 2020
  - Online Grant Management System
  - New CDBG Guidelines
  - Redesign Rollout
    - Over-the-counter (OTC) applications
    - New Program Income (PI) policies
    - New training modules on NEPA, procurement, and general program administration

Questions?

Thank You!

